



**DAKOTA EDUCATION ALTERNATIVE LOAN (DEAL) CONSOLIDATION LOAN
BORROWER APPLICATION AND PROMISSORY NOTE**
BANK OF NORTH DAKOTA
STUDENT LOAN SERVICES
SFN 58603 (04-2008)

PLEASE MAIL COMPLETED APPLICATION TO:

Bank of North Dakota (BND) PO Box 5509, Bismarck, ND 58506-5509 1-800-472-2166 ext. 5763 1-800-643-3916 (TDD)

**Dakota Education Alternative Loan (DEAL)
Consolidation Loan Application and Promissory Note**

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form is subject to criminal penalties.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW LOAN ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens a loan account. What this means for you: Your name, address, date of birth, and other information collected in this form will be used to verify your identity. You may also be asked to provide your driver's license or other identifying documents.

Before You Begin

Read the Instructions for completing the Borrower DEAL Consolidation Loan Application and Promissory Note. Print using a dark ink ballpoint pen or type. This form must be signed and dated by the applicant. ****PAGES 1, 2, AND 3 OF THIS FORM MUST BE SUBMITTED FOR YOUR APPLICATION TO BE PROCESSED.****

Section A. Borrower Information

1. Last Name		First Name	Middle Initial	2. Social Security Number		3. Date of Birth (mm/dd/yyyy)	
4. Permanent Address (If PO Box, see instructions)				4a. City	4b. State	4c. Zip Code	
5. Permanent Mailing Address, if different from 4.				5a. City	5b. State	5c. Zip Code	
6. Home Telephone Number ()		7. Cell Telephone Number ()		8. Driver's License State and Number State: #:			
9. Former Name(s)				10. E-mail Address			
11. Employer Name							
12. Employer Street Address				12a. City	12b. State	12c. Zip Code	
13. Employer Telephone Number ()				14. Position			
15. Consolidating Lender Name Bank of North Dakota				16. Lender Code 816386			

Section B. Reference Information

17. References: You must provide three separate references with different addresses who have known you for at least three years. All requested information must be completed in full. Do not include individuals who live with you (e.g., your spouse) or who live outside the United States.

Reference Name			Reference Name			Reference Name		
Street Address			Street Address			Street Address		
City	State	Zip Code	City	State	Zip Code	City	State	Zip Code
E-mail Address			E-mail Address			E-mail Address		
Telephone Number ()			Telephone Number ()			Telephone Number ()		
Relationship to Borrower			Relationship to Borrower			Relationship to Borrower		

Read the instructions before completing this section. List each alternative education loan you want to consolidate, including each DEAL loan currently held by Bank of North Dakota that will be consolidated. The loan holder/servicer is the entity to which you send your payments. Please print. **ONLY LIST LOANS IN THIS SECTION THAT YOU WANT TO CONSOLIDATE.**

[illegible]

If any of the loans that you have selected for consolidation are in a grace period, you can delay the processing of your DEAL Consolidation Loan until the end of your grace period by entering your expected grace period end date in the space provided. If you leave this field blank, your DEAL Consolidation Loan will be processed and any selected loans that are in a grace period will enter repayment immediately upon consolidation. If you choose to wait until your grace period expires, the Consolidation loan will be made using the rates in effect at the time the application was received. You must continue to make payments on any loan(s) in repayment if you request this loan application be postponed until the grace period expires on other loans selected to be included in the Consolidation loan.

Borrower Name _____ Social Security Number _____
(Please print.)

Section D. Repayment Term Selection

Before completing this section, carefully read the instructions for Item 19 and any supplemental materials on repayment options provided by Bank of North Dakota. If you have any questions or need additional information, contact Bank of North Dakota. If you do not complete this item, Bank of North Dakota will provide a standard payment schedule that does not exceed the maximum repayment period allowable for the amount of your loan.

23. Repayment Options:

10 Years (Up to \$7,499) 15 Years (\$7,500 – \$19,999) 20 Years (\$20,000 – \$29,999) 25 Years (\$30,000 and over)

You can choose a shorter term for the length of time to pay back your consolidated loan.

Example: Loan Amount of \$20,000

The standard term we will set your loan at is 20 years.

If your interest rate is fixed at 7.56%, your monthly payment will be approximately \$161.85.

If you want a 15-year term, your monthly payment will be approximately \$186.08.

If you want a 10-year term, your monthly payment will be approximately \$238.03.

If you prefer a shorter term on your loan, please check here. ☐

(If you checked the box above, we will contact you to confirm the term you want.)

Section E. Borrower Certification and Authorizations

24. Under penalty of perjury, I certify that:

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| <p>A. The information I have provided on this DEAL Consolidation Loan Application and Promissory Note and as updated by me from time to time is true, complete, and correct to the best of my knowledge and belief and is made in good faith.</p> <p>B. All of the loans selected for consolidation were used only for educational purposes.</p> <p>C. All of the loans selected for consolidation are in a grace period or in repayment (including loans in deferment and forbearance).</p> <p>D. If I have an outstanding DEAL Consolidation Loan, I am eligible for another DEAL Consolidation Loan because: (i) I have another eligible loan(s), or (ii) I am consolidating a DEAL Consolidation Loan with at least one other eligible loan.</p> <p>E. I am not in default on any loan that I am consolidating, or if I am in default, I have made satisfactory arrangements with the holder of the defaulted loan(s) to repay the amount owed.</p> <p>F. I am not subject to a judgment secured through litigation or to an order for wage garnishment, except as I have disclosed.</p> | <p>B. I authorize Bank of North Dakota to contact the holders identified on my application to determine the eligibility and/or payoff amounts for the loans I have selected for consolidation. I further authorize those holders to release that information.</p> <p>C. I authorize Bank of North Dakota to send the proceeds of my DEAL Consolidation Loan to each holder of the loans I have identified to pay off the debts.</p> <p>D. If the amounts Bank of North Dakota pays to my holders exceed the amounts needed to pay off the balances of the selected loans, I understand that the holders will refund the excess to Bank of North Dakota to be applied towards the outstanding balance of this loan. If the amounts Bank of North Dakota pays to my holders are less than the amounts needed to pay off the balances of the loans selected for consolidation, I will be responsible for notifying Bank of North Dakota, unless I pay off the remaining balances.</p> <p>E. I authorize Bank of North Dakota, the guarantor, or their agents to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.</p> <p>F. I authorize the release of information pertinent to my loan: (i) by the school(s), the lender, and the guarantor, or their agents, to the references on this loan and to members of my immediate family unless I submit written directions otherwise; and (ii) by and among my schools, lenders, guarantors, the Department, and their agents.</p> |
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25. I make the following authorizations and statements of understanding:

- A.** I understand that the amount of my DEAL Consolidation Loan will be based on the payoff amounts of my outstanding eligible loans that I selected for consolidation, as provided by the holders of those loans, and may exceed my estimate of such payoff amounts because the holders will include unpaid principal, unpaid accrued interest, and other costs permitted by law in the payoffs reported to Bank of North Dakota. I understand that if any collection costs are owed on the loans selected for consolidation, these costs may be added to the principal balance of the DEAL Consolidation Loan.

Review your DEAL Consolidation Application and Promissory Note to ensure you completed all sections, including Section D above.

Section F. Promissory Note (To be completed and signed by the borrower.)

(In this Promissory Note, "lender" refers to, and this Promissory Note benefits, Bank of North Dakota and its successors and assigns, including any subsequent holder of this Promissory Note.)

26. Promise to Pay:

I promise to pay to the order of the lender all sums disbursed (hereafter "loan") under the terms of this Promissory Note (hereafter "Note") to pay off my prior loan obligations, plus interest and other charges and fees that may become due as provided in this Note. Unless I make interest payments, interest that accrues on my loan during forbearance and deferment periods may be added to the principal balance of my loan. If I do not make any payment on this Note when it is due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees. I certify that the proceeds of this loan were used only for educational purposes.

I will not sign this Note before reading the entire Note, even if I am told not to read it, or told that I am not required to read it. I am entitled to an exact copy of this Note and the Borrower's Rights and Responsibilities Statement. My signature certifies I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Certification and Authorizations and the Borrower's Rights and Responsibilities Statement.

I UNDERSTAND THAT THIS IS A LOAN THAT I MUST REPAY.

27. I choose a: _____ fixed interest rate _____ variable interest rate.

28. **Borrower's Signature** _____ **Today's Date** (mm/dd/yyyy) _____

PROMISSORY NOTE (continued)**Disclosure of Terms**

This Note applies to the Dakota Education Alternative Loan (DEAL) Consolidation loan. I agree that the lender or any subsequent holder may sell or transfer my loan. At or before the time of my first disbursement, the lender will send me a disclosure statement identifying additional terms of the loan. Important additional information is also disclosed in the statement of Borrower's Rights and Responsibilities accompanying this Note.

Information concerning the amount, disbursement, and repayment of my loan will be reported to one or more national credit bureau organizations.

Interest

I must choose between a fixed or variable interest rate option. **If I choose a fixed rate**, the interest rate will be set on the day my loan is first disbursed and remains the same until my loan is paid in full.

If all underlying loans are at a fixed rate, the weighted average interest rate of all underlying loans is used to calculate the new fixed interest rate rounded up to the nearest 1/8 of one percent unless the rate is already a multiple of 1/8 of one percent.

If all underlying loans are at a variable rate, the fixed rate in effect on the date your Consolidation application is received in our office, is used to calculate the new fixed interest rate rounded up to the nearest 1/8 of one percent unless the rate is already a multiple of 1/8 of one percent.

If the rates of your loans being consolidated are fixed and variable, the interest rate is calculated by converting the variable loans to the fixed rate in effect on the date the Consolidation application is received in our office. The fixed rate loans will use the interest rate that was assigned on the date the underlying loan was originally disbursed. Finally, the weighted average interest rate is calculated using the recalculated rates above rounded up to the nearest 1/8 of one percent, unless the rate is already a multiple of 1/8 of one percent.

If I choose a variable rate, all of the loans being consolidated (fixed or variable), will use the variable rate that is in effect on the date the Consolidation application is received. The interest rate will change as interest rates decrease or increase throughout the life of the loan. The interest rate has no minimum or maximum limit. Current interest rates are listed at mystudentloanonline.nd.gov or call 1-800-472-2166 ext. 5763.

Interest accrues on the unpaid principal balance of each loan from the date of disbursement by the lender until the entire principal balance is paid in full. I agree to pay all interest charges on my DEAL Consolidation Loan.

Administrative Fee

If I am including a non-DEAL private loan, I will pay an administrative fee in an amount identified in the disclosure statement. This fee will be added to the balance of my loan.

Late Charges and Collection Costs

If I fail to make any part of an installment payment within 15 days after it becomes due, the holder may collect from me a late charge

not to exceed 15% of each late installment, or a maximum amount of \$15. There may be a charge on non-sufficient funds payments in an amount not to exceed the maximum allowed under the North Dakota Century Code.

If I default on this DEAL Consolidation Loan, I shall pay collection fees and costs, plus court costs. At the time of default, these fees may be assessed up to the maximum amount allowed under the North Dakota Century Code.

Repayment

I am obligated to repay the full amount of the loan and accrued interest. The loan will enter repayment upon disbursement of the loan.

I will repay my loan in periodic installments during a repayment period that begins upon disbursement. The repayment term for each loan may be up to 25 years depending on my balance. The repayment term does not include any periods of deferment or forbearance.

The holder of my loan will provide me with a repayment schedule that identifies my payment amounts and due dates.

I may prepay all or any part of the unpaid balance on my loans at any time without penalty. If I do not specify which loans I am prepaying, the holder will determine how to apply the prepayment.

Acceleration and Default

At the option of the lender, the entire unpaid balance will become due and payable when either of the following events occurs: (i) I make a false representation that results in my receiving a loan for which I am not eligible; or (ii) I default on the loan.

The following events shall constitute a default on a loan: (i) I fail to pay the entire unpaid balance after the holder has exercised its option under the preceding paragraph; or (ii) I fail to make installment payments when due and my failure persists for at least 270 days; or (iii) I fail to comply with other terms of the loan, and SLND-Guarantor reasonably concludes I no longer intend to honor my repayment obligation. If I default, the guarantor may purchase my loan and capitalize all outstanding interest into a new principal balance. The new principal balance and collection fees will become immediately due and payable.

If I default, this will be reported to national credit bureau organizations and will significantly and adversely affect my credit history. I acknowledge that a default shall have additional adverse consequences to me as disclosed in the statement of Borrower's Rights and Responsibilities.

Governing Law and Notices

The terms of this Note will be interpreted in accordance with 15-62.1-02 of the North Dakota Century Code.

If I reside in North Dakota, the guarantor may sue to enforce this loan in any judicial district as allowed by law. Any notice required to be given to me will be effective if mailed by first class mail to the latest address I have provided to the holder of this Note, or if the holder reasonably determines that this address is no longer my address, to the latest address secured by the holder or other reliable source.

Failure by the holder to enforce or insist on compliance with any term on this Note shall not be a waiver of any right of the holder. No provision of this Note may be modified or waived except in writing. If any provision of this Note is determined to be unenforceable, the remaining provisions shall remain in force.

BORROWER CERTIFICATION

I declare under penalty of perjury under the laws of the United States of America that the following is true and correct:

(1) I certify that the information contained in my application for the DEAL Consolidation Loan is true, complete, and correct to the best of my knowledge and belief and is made in good faith.

(2) I certify that the underlying loans being consolidated were used only for educational purposes.

(3) I authorize Bank of North Dakota, subsequent holders, their agents, collection agencies, or educational institutions to: (i) make inquiries of my cosigner, prior or subsequent lenders or holders with respect to my loan application and related documents; (ii) release information and make inquiries to the persons I have listed on my loan application as references, for the purpose of learning my current address and telephone number; (iii) contact me at any telephone number or e-mail address (whether it is a land line or wireless service) that I have provided or the loan holder receives from any reliable source. I authorize the use of live or automated messages to any of these numbers or e-mail addresses. I understand that persons other than myself may access these messages or e-mails, which may include content concerning my indebtedness.

(4) I also authorize Bank of North Dakota, subsequent holders, or their agents to check my credit and employment history and to answer questions about their credit experience with me.

(5) I authorize the release of information pertinent to this loan by and amongst my schools, Bank of North Dakota, SLND-Guarantor, subsequent holders, and their agents, to the references listed on this application and members of my immediate family unless I submit written directions otherwise.

(6) I will be responsible for paying the interest on my DEAL Consolidation Loan, which begins to accrue upon my first disbursement. If I fail to make required interest payments while I am in deferment, Bank of North Dakota or subsequent holders may capitalize such interest upon entering into repayment status.

Instructions for Completing the Borrower DEAL Consolidation Loan Application and Promissory Note

Bank of North Dakota
PO Box 5509
Bismarck, ND 58506-5509
1-800-472-2166 ext. 5763 1-800-643-3916 (TDD)

Before You Begin

Before beginning, gather all of your education loan records, account statements, and bills so that you have the information you need to complete the Borrower DEAL Consolidation Loan Application and Promissory Note.

Print using a dark ink ballpoint pen or type. Enter dates as month/day/year (mm/dd/yyyy). Use only numbers. This form must be signed and dated by the applicant. If an item has been completed for you and it is incorrect, cross out the incorrect information and print the correct information. Incorrect or incomplete information may delay processing of your application.

If you have any questions about completing this application, contact the entity identified above.

Section A. Borrower Information

Item 1: Enter or correct your last name, first name, and middle initial.

Item 2: Enter or correct your Social Security Number.

Item 3: Enter the date of your birth. Be careful not to enter the current year.

Item 4-4c: Enter your permanent address (number, street, apartment number, or rural route number and box number, then city, state, zip code). If your mailing address is a post office box or general delivery, you must list your mailing address (including city, state, and zip code) in Item 5-5c, in addition to your home address in 4.

Item 6: Enter your home area code and telephone number. (Do not list your work telephone number here.) If you do not have a telephone, enter N/A.

Item 7: Enter your cell telephone number, including area code.

Item 8: Enter the two-letter abbreviation for the state that issued your driver's license followed by the driver's license number. If you do not have a valid driver's license, enter N/A.

Item 9: Enter any former names under which one or more of your loans may have been disbursed. If you do not have a former name, enter N/A.

Item 10: Enter your preferred e-mail address for receiving communications. You are not required to provide this information. If you do, Bank of North Dakota or the holder of your loan may use your e-mail address to communicate with you. If you do not have an e-mail address, or do not wish to provide it, enter N/A.

Item 11-13: *It is important that Bank of North Dakota is able to reach you during the process of making your loan and during repayment.* Enter your employer's name, address (including number, street, suite number, city, state, and zip code), and your work telephone number (or the number of your work cellular telephone or other wireless device). If you are self-employed, enter the name, address, and telephone number of your business (or the number of your business cellular telephone or other wireless device). If you are not employed, enter N/A.

Item 14: List your position with your employer.

Section B. Reference Information

Items 17: Enter the requested reference information for three adults with different addresses who have known you for at least three years. References with addresses outside the United States will not be accepted. Do not include individuals who live with you. If a reference does not have a telephone number or e-mail address or does not wish to provide an e-mail address, enter N/A. If you provide an e-mail address for a reference, the lender or holder of your loan may use it to communicate with the reference. All requested items must be completed or processing of your application may be delayed.

Section C. Education Loan Indebtedness

Education Loans

Private educational loans that were used only for educational purposes are eligible for consolidation.

Information needed to answer items in this section is available in loan documents, such as:

- The last monthly billing statement you received,
- Your quarterly interest statement or annual statement,
- Your coupon book, or
- The Internet site of your loan holder or servicer.

If you are unsure of the correct information on your loans, contact the entity to which you send your payments or check the most recent correspondence from that entity.

Step 1: Begin by listing (according to the instructions that follow for Items 18-22) eligible loan(s) that you wish to consolidate, including any DEAL loan(s) currently held by Bank of North Dakota who will be consolidating your loan(s). You may consolidate a DEAL Consolidation Loan only if you are combining that loan with at least one other eligible loan.

If you are in default on any loan that you wish to consolidate, you must have made satisfactory repayment arrangements with the holder to repay the loan before it is eligible for consolidation. Satisfactory repayment arrangements involve making a series of reasonable and affordable payments on a defaulted loan or agreeing to repay the new DEAL Consolidation Loan under an income-sensitive repayment plan. Contact the holder of your defaulted loan for specific information.

Item 18: Enter the full name and mailing address of the holder of each of your education loans or the holder's servicer. (This is the address to which you are or will be sending your payments.) Do not use initials in place of full names.

Item 19: Enter the account number of each loan. This may be listed on your monthly billing statement or coupon or in other information your holder or holder's servicer provides.

Item 20: Enter the interest rate prior to any incentive reductions on each loan.

Item 21: Enter the estimated payoff amount, including any unpaid interest, late fees, and collection costs.

Item 22: If you are in your grace period (the specified period of time after a student graduates, leaves school, or drops to less than half-time enrollment during which loan payments are not required) for any of the loans selected for consolidation and you wish to delay processing until you have completed your grace period, enter the month and year that your grace period ends. If you request such a delay, processing of your DEAL Consolidation Loan will begin approximately 60-90 days before the latest grace period end date, the loan will be made using the rates in effect at that time. If you leave this field blank, the processing of your DEAL Consolidation Loan will not be delayed and any selected loans that are in a grace period will enter repayment immediately upon consolidation.

Section D. Repayment Term Section

Item 23: If you want a lower term on this loan, check the box and you will be contacted to confirm the term you want.

Section E. Borrower Certification and Authorization Information

Items 24 and 25: Read these items carefully. The statements confirm the accuracy of information that you supply, authorize various parties to perform certain functions, and certify your understanding and acceptance of certain terms and conditions of the loan.

Continued on next page.

Section F. Promissory Note

This is a legally binding contract.

Item 26: Carefully read the entire Promissory Note, Borrower Certification and Authorization, Borrower's Rights and Responsibilities Statement, and the other materials provided in connection with this loan.

Item 27: You must select a fixed interest rate or a variable interest rate. Important information you should consider prior to making this selection is located under the "Interest" sections of the Promissory Note and the Borrower's Rights and Responsibilities.

Item 28: Sign and date the Promissory Note.

Note: Signature is required. If you fail to sign the Promissory Note, your application may be delayed.

Submitting Your Application and Promissory Note

Review all information on your DEAL Consolidation Loan Application and Promissory Note. Return pages 1 through 3 of your completed application and promissory note to Bank of North Dakota for processing. **Keep a copy for your records. Remember to continue making your regularly scheduled education loan payments until Bank of North Dakota notifies you that the consolidation is complete.** If you would like to temporarily postpone your payments while your DEAL Consolidation Loan is being processed, contact your holder(s) regarding forbearance. When your loans are consolidated, you will receive a repayment schedule and disclosure statement for your DEAL Consolidation Loan. It will provide information about your new loan and instructions on where to send your monthly payments.

Mailing Instructions: Mail the original DEAL Consolidation Loan Application and Promissory Note to Bank of North Dakota, PO Box 5509, Bismarck, ND 58506-5509.

DAKOTA EDUCATION ALTERNATIVE LOAN (DEAL) CONSOLIDATION LOAN

Borrower's Rights and Responsibilities

1. Eligibility. A borrower is eligible for a DEAL Consolidation Loan to consolidate their existing DEAL and non-DEAL private loans. The DEAL and non-DEAL private loans were received only after the borrower had applied for all Federal Title IV aid that the institution's Financial Aid Office had determined that the borrower was eligible to receive. This pertains to all federal loan programs including the Stafford loans, (FFELP and Direct), the Perkins loan, and all of the health professional loans and all federal grant and work-study programs.

2. Change of Status. I must notify Bank of North Dakota or any subsequent holder of my loan if any of the following events occur:

- I change my address, e-mail address, or telephone number;
- I change my name (for example, maiden name to married name);
- I change employers or my employer's address changes; or
- I have any other change that would affect my loan status (for example, the loss of eligibility for an unemployment deferment by obtaining a job).

3. Interest. Interest rate information for this DEAL Consolidation Loan is indicated on the Notice of Loan Guarantee and Disclosure Statement.

I understand that it is my responsibility to pay interest on the unpaid principal amount of the loan from the date of disbursement until the entire principal amount and accrued interest are paid in full. I am responsible for the payment of all interest that accrues on this loan.

4. Deferring Interest Payments. Under certain circumstances, for example during forbearance or deferment, I may not be required to make interest payments, but interest on my DEAL Consolidation Loan will accrue. If this interest is not paid, outstanding interest will be capitalized (added to the principal) when regular monthly payments resume.

5. Sale or Transfer. I consent to the sale or transfer of my loan. Should ownership of a loan be transferred, I understand I will be notified of the name, address, and telephone number of the new holder of my loan, if the address where I make my payments changes. Sale or transfer of my loan to subsequent holders does not affect my rights and responsibilities.

6. Consequences of Default. Default is defined in the Note. If I default, the entire unpaid balance and collection fees will become immediately due and payable. Failure to repay this DEAL Consolidation Loan may result in any or all of the following: loss of state income tax refunds, loss of state lottery prizes, legal action, assessment of collection charges, loss of professional license, loss of eligibility for deferments and forbearances, and negative credit reports.

7. Credit Bureau Notification. Information concerning the amount, disbursement, and repayment of my loan will be reported to one or more national credit bureau organizations. I will be notified at least 30 days in advance that default information will be disclosed to a credit bureau unless I enter into repayment arrangements on the loan within 30 days of the date on the notice. I will be provided an opportunity to a review of the debt before it is reported to any credit bureau. My holder must provide a timely response to a request from any credit organization regarding objections I might raise with that organization about the accuracy and completeness of information.

8. Repayment. I am obligated to repay the full amount of the loan and accrued interest. The loan will enter repayment upon disbursement of the loan.

I will repay my loan in periodic installments during a repayment period that begins upon disbursement. The repayment term for each loan may be up to 25 years depending on my balance. The repayment term does not include any periods of deferment or forbearance.

The holder of my loan will provide me with a repayment schedule that identifies my payment amounts and due dates.

I may prepay all or any part of the unpaid balance on my loans at any time without penalty. If I do not specify which loans I am prepaying, the holder will determine how to apply the prepayment.

9. Loan Cancellation. I understand that my loan debt will be canceled if I die. A certified death certificate must be submitted as documentation to the holder of this Note. My loan debt may also be canceled if I become permanently and totally disabled. However, the holder of my loan may not approve the request for cancellation based on permanent and total disability if the condition existed before I applied for this loan.

If the condition did exist, my doctor must certify that the condition substantially deteriorated after the loan was disbursed. An application for cancellation must be submitted to my holder, and documentation verifying the permanent and total disability must be certified by my doctor and accepted by the holder of this loan.

I understand my loan(s) will not automatically be discharged in bankruptcy.

10. Deferments. Under certain circumstances, I have a right to postpone repayment of the principal if I provide the holder of my loan(s), or its servicing agent, with a request for a deferment together with the evidence that verifies my eligibility. The types of deferments that may be available are:

- While I am enrolled at least half-time at an eligible institution;
- While I am pursuing a graduate fellowship program or rehabilitation-training program for individuals with disabilities, if the program has been approved by the Department of Education for the FFEL program;
- For up to three years, while I am conscientiously seeking but unable to find full time employment; or

- While I am experiencing an economic hardship as determined by federal law; or
- While serving on Active Duty during a war or other military operation.

You should contact Bank of North Dakota or the current holder of your loan for more details on your options.

11. Forbearance. If I am unable to make my scheduled payments, the lender or holder of my promissory note may allow me to reduce the amount of my payment or to temporarily stop making payments as long as I intend to repay my loan. This action is called forbearance. During a period of forbearance, interest charges continue to accrue.

My holder is not required to grant a forbearance and may require me to provide my reasons for the request and other information.

PRIVACY ACT DISCLOSURE

The authority for collecting the requested information from and about you is Section 484 (a)(4)(B) of the Higher Education Act of 1965, as amended [20 U.S.C. 1091(a)(4)(B)]. You are advised that participation in the DEAL Consolidation program is voluntary, but the requested information is necessary for participation.

death claims. Your social security number will also be used for tracing and collecting from you in the event you default on your loan, and IRS reporting requirements.

The principle purpose of this information is to verify your identity, to determine your program eligibility and benefits, to permit the servicing of your loan(s), and in the event it is necessary, to locate you and collect on your loan(s) if it becomes delinquent.

The routine uses of this information include its disclosure to federal, state, or local agencies, to private parties, such as relatives, present and former employers, business and personal associates, to guaranty agencies, to credit bureau organizations, to educational and financial institutions, and to agency contractors in order to verify your identity, to determine your program eligibility and benefits, to permit the servicing or collecting of your loan(s), to counsel you in repayment efforts, to investigate possible fraud and to verify compliance with Program regulations, or to locate you if you become delinquent in your loan(s) payments or you default.

You must provide all the information requested in order to have your application processed.

Section 7(b) of the Privacy Act of 1974 (5 U.S.C. 552a note) requires that when any federal, state, or local government agency requests that you disclose your Social Security Number (SSN), you must also be advised whether that disclosure is mandatory or voluntary, by what statutory or other authority your SSN is solicited, and what uses will be made of it.

Section 7(a)(2) of the Privacy Act provides that an agency may continue to require disclosure of your SSN as a condition to grant you a right, benefit, or privilege provided by law in cases in which the agency required this disclosure under statute or regulation prior to January 1, 1975, in order to verify the identity of an individual.

Disclosure of your SSN is required to participate in the DEAL Consolidation Loan program. The Bank of North Dakota has required disclosure of social security numbers on application forms and other necessary bank documents since prior to January 1, 1975.

Your social security number will be used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so data can be accurately recorded. We will also use it to determine your eligibility for the program, to certify school attendance and borrower status, and to determine eligibility for deferment of payments, and disability or